

**ND TEACHERS FUND FOR RETIREMENT  
INVESTMENT PERFORMANCE REPORT AS OF JULY 31, 2002**

	Month Ended 7/31/2002				Current Fiscal YTD	Prior Year FY02	3 Years Ended 6/30/2002	5 Years Ended 6/30/2002
	Market Value	Allocation Actual	Policy	Net ROR	Net ROR	Net	Net	Net
<b>LARGE CAP DOMESTIC EQUITY</b>								
<i>Structured Growth</i>								
<b>AllianceBernstein</b>	<b>22,166,048</b>	<b>2.1%</b>	<b>2.3%</b>	<b>-7.03%</b>	<b>-7.03%</b>	<b>-28.98%</b>	<b>-16.11%</b>	<b>N/A</b>
Russell 1000 Growth				-5.50%	-5.50%	-26.49%	-16.15%	N/A
<i>Structured Value</i>								
LSV	52,552,206	4.9%	4.5%	-7.94%	-7.94%	2.72%	5.54%	N/A
Wilshire (terminated 8/2000)	-	0.0%	0.0%	N/A	N/A	N/A	N/A	N/A
<b>Total Structured Value</b>	<b>52,552,206</b>	<b>4.9%</b>	<b>4.5%</b>	<b>-7.94%</b>	<b>-7.94%</b>	<b>2.72%</b>	<b>2.97%</b>	<b>8.32%</b>
Russell 1000 Value				-9.30%	-9.30%	-8.96%	-4.87%	N/A
<i>Enhanced Russell 1000 Index</i>								
<b>LA Capital (Wilshire)</b>	<b>48,848,727</b>	<b>4.5%</b>	<b>4.5%</b>	<b>-7.52%</b>	<b>-7.52%</b>	<b>-17.00%</b>	<b>N/A</b>	<b>N/A</b>
Russell 1000				-9.30%	-9.30%	-17.89%	N/A	N/A
<i>Enhanced S&amp;P 500 Index</i>								
Northern Trust	47,453,179	4.4%	4.5%	-7.48%	-7.48%	-16.98%	N/A	N/A
Strong	47,925,087	4.4%	4.5%	-7.95%	-7.95%	-20.23%	N/A	N/A
Westridge	58,034,192	5.4%	4.5%	-7.69%	-7.69%	-17.54%	N/A	N/A
<b>Total Enhanced S&amp;P 500 Index</b>	<b>153,412,459</b>	<b>14.2%</b>	<b>13.5%</b>	<b>-7.71%</b>	<b>-7.71%</b>	<b>-18.23%</b>	<b>N/A</b>	<b>N/A</b>
S&P 500				-7.80%	-7.80%	-17.98%	N/A	N/A
<i>S&amp;P 500 Index</i>								
<b>State Street</b>	<b>53,748,989</b>	<b>5.0%</b>	<b>5.3%</b>	<b>-7.78%</b>	<b>-7.78%</b>	<b>-17.96%</b>	<b>-9.14%</b>	<b>3.67%</b>
S&P 500				-7.80%	-7.80%	-17.98%	-9.18%	3.67%
<b>TOTAL LARGE CAP DOMESTIC EQUITY</b>	<b>330,728,429</b>	<b>30.6%</b>	<b>30.0%</b>	<b>-7.67%</b>	<b>-7.67%</b>	<b>-17.13%</b>	<b>-9.48%</b>	<b>2.68%</b>
S&P 500				-7.80%	-7.80%	-17.98%	-9.18%	3.67%
<b>SMALL CAP DOMESTIC EQUITY</b>								
<i>Manager-of-Managers</i>								
<b>SEI</b>	<b>103,156,053</b>	<b>9.6%</b>	<b>10.0%</b>	<b>-13.68%</b>	<b>-13.68%</b>	<b>-11.87%</b>	<b>N/A</b>	<b>N/A</b>
Russell 2000 + 200bp				-14.93%	-14.93%	-6.68%	N/A	N/A
<b>TOTAL SMALL CAP DOMESTIC EQUITY</b>	<b>103,156,053</b>	<b>9.6%</b>	<b>10.0%</b>	<b>-13.68%</b>	<b>-13.68%</b>	<b>-11.87%</b>	<b>1.18%</b>	<b>1.95%</b>
Russell 2000				-15.10%	-15.10%	-8.59%	1.67%	4.44%
<b>INTERNATIONAL EQUITY</b>								
<i>Large Cap - Core</i>								
<b>State Street</b>	<b>38,573,914</b>	<b>3.6%</b>	<b>4.0%</b>	<b>-9.69%</b>	<b>-9.69%</b>	<b>-11.74%</b>	<b>-6.76%</b>	<b>-2.26%</b>
MSCI EAFE - 50% Hedged				-10.04%	-10.04%	-14.62%	-5.75%	0.27%
<i>Large Cap - Active</i>								
Capital Guardian	101,607,396	9.4%	10.0%	-10.69%	-10.69%	-13.17%	-1.00%	5.76%
Bank of Ireland	22,143,186	2.1%	2.0%	-10.05%	-10.05%	N/A	N/A	N/A
<b>Total Large Cap - Active</b>	<b>123,750,581</b>	<b>11.5%</b>	<b>12.0%</b>	<b>-10.57%</b>	<b>-10.57%</b>	<b>-12.19%</b>	<b>-0.63%</b>	<b>6.00%</b>
MSCI EAFE - 50% Hedged				-10.04%	-10.04%	-14.62%	-5.75%	0.27%
<i>Small Cap - Active</i>								
Lazard	23,966,653	2.2%	2.0%	-8.36%	-8.36%	N/A	N/A	N/A
Wellington	23,679,636	2.2%	2.0%	-5.78%	-5.78%	N/A	N/A	N/A
<b>Total Small Cap - Active</b>	<b>47,646,289</b>	<b>4.4%</b>	<b>4.0%</b>	<b>-7.10%</b>	<b>-7.10%</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>
SSB BROAD MARKET INDEX < \$2BN				-6.90%	-6.90%	N/A	N/A	N/A
<b>TOTAL INTERNATIONAL EQUITY</b>	<b>209,970,784</b>	<b>19.4%</b>	<b>20.0%</b>	<b>-9.64%</b>	<b>-9.64%</b>	<b>-10.49%</b>	<b>-2.94%</b>	<b>2.40%</b>
MSCI EAFE - 50% Hedged				-10.04%	-10.04%	-14.62%	-5.75%	0.27%
<b>EMERGING MARKETS EQUITY</b>								
<b>Capital Guardian</b>	<b>52,592,463</b>	<b>4.9%</b>	<b>5.0%</b>	<b>-9.20%</b>	<b>-9.20%</b>	<b>-5.69%</b>	<b>-5.69%</b>	<b>-6.04%</b>
MSCI Emerging Markets Free				-7.61%	-7.61%	1.30%	-6.34%	-8.42%
<b>DOMESTIC FIXED INCOME</b>								
<i>Core Bond</i>								
<b>Western Asset</b>	<b>12,823,735</b>	<b>1.2%</b>	<b>1.1%</b>	<b>-0.11%</b>	<b>-0.11%</b>	<b>8.87%</b>	<b>8.93%</b>	<b>8.26%</b>
Lehman Aggregate				1.21%	1.21%	8.62%	8.10%	7.57%
<i>Active Duration</i>								
<b>Criterion</b>	<b>12,762,250</b>	<b>1.2%</b>	<b>1.1%</b>	<b>0.03%</b>	<b>0.03%</b>	<b>6.00%</b>	<b>7.60%</b>	<b>7.09%</b>
Lehman Aggregate				1.21%	1.21%	8.62%	8.10%	7.57%

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	Market Value	Actual	Policy	Net ROR	Net ROR	Net	Net	Net
<b>Index</b>								
Bank of ND	14,875,230	1.4%	0.7%	1.62%	1.62%	9.56%	8.03%	7.55%
Bank of ND Match Loan CD Program	10,983,571	1.0%	1.0%	0.48%	0.48%	5.79%	5.86%	5.90%
<b>Total Index</b>	<b>25,858,802</b>	<b>2.4%</b>	<b>1.8%</b>	<b>1.32%</b>	<b>1.32%</b>	<b>9.68%</b>	<b>7.81%</b>	<b>7.47%</b>
<i>Lehman Gov/Corp</i>				1.20%	1.20%	8.24%	7.85%	7.47%
<b>Convertibles</b>								
<b>TCW</b>	<b>10,880,173</b>	<b>1.0%</b>	<b>1.1%</b>	<b>-7.54%</b>	<b>-7.54%</b>	<b>-21.20%</b>	<b>-2.06%</b>	<b>N/A</b>
<i>First Boston Convertible Index</i>				-6.25%	-6.25%	-12.44%	0.11%	N/A
<b>BBB Average Quality</b>								
<b>Strong</b>	<b>12,109,002</b>	<b>1.1%</b>	<b>1.1%</b>	<b>-3.45%</b>	<b>-3.45%</b>	<b>3.16%</b>	<b>6.83%</b>	<b>N/A</b>
<i>Lehman BBB</i>				-2.23%	-2.23%	5.85%	4.75%	N/A
<b>Timberland</b>								
<b>Evergreen (Wachovia) (1)</b>	<b>8,514,747</b>	<b>0.8%</b>	<b>0.8%</b>	<b>-0.07%</b>	<b>-0.07%</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>
						0.00%	0.00%	0.00%
<b>TOTAL DOMESTIC FIXED INCOME</b>	<b>82,948,709</b>	<b>7.7%</b>	<b>7.0%</b>	<b>-1.37%</b>	<b>-1.37%</b>	<b>2.56%</b>	<b>6.70%</b>	<b>6.56%</b>
<i>Lehman Aggregate</i>				1.21%	1.21%	8.62%	8.10%	7.57%
<b>HIGH YIELD BONDS</b>								
<b>Western Asset</b>	<b>80,507,087</b>	<b>7.5%</b>	<b>7.0%</b>	<b>-3.79%</b>	<b>-3.79%</b>	<b>-6.08%</b>	<b>-3.89%</b>	<b>4.16%</b>
<i>Lehman High Yield Bond Index</i>				-4.37%	-4.37%	-3.60%	-2.31%	0.68%
<b>INTERNATIONAL FIXED INCOME</b>								
<b>International Core</b>								
<b>UBS Global (Brinson)</b>	<b>68,625,486</b>	<b>6.4%</b>	<b>5.0%</b>	<b>0.30%</b>	<b>0.30%</b>	<b>16.83%</b>	<b>2.39%</b>	<b>2.43%</b>
<i>Salomon Brothers Non-US Gov't Bond Index</i>				0.57%	0.57%	15.72%	3.14%	3.03%
<b>REAL ESTATE</b>								
JMB	1,047,291			0.46%	0.46%	0.92%	1.25%	7.60%
INVESCO	60,862,067			0.98%	0.98%	2.61%	7.70%	N/A
J.P. Morgan	45,022,775			0.72%	0.72%	4.10%	9.60%	11.72%
<b>TOTAL REAL ESTATE (1)</b>	<b>106,932,134</b>	<b>9.9%</b>	<b>9.0%</b>	<b>0.85%</b>	<b>0.85%</b>	<b>3.35%</b>	<b>8.64%</b>	<b>9.66%</b>
<i>NCREIF TOTAL INDEX</i>				0.55%	0.55%	6.79%	9.41%	11.96%
<b>ALTERNATIVE INVESTMENTS</b>								
Brinson IVCF III	1,725,353			-0.31%	-0.31%	61.30%	112.32%	65.03%
Coral Partners V	11,154,804			-0.21%	-0.21%	-46.32%	-3.46%	N/A
Coral Partners V - Supplemental	778,976			-0.37%	-0.37%	N/A	N/A	N/A
Coral Partners VI	645,266			0.00%	0.00%	N/A	N/A	N/A
Brinson 1998 Partnership Fund	2,371,933			0.15%	0.15%	-15.23%	8.66%	N/A
Brinson 1999 Partnership Fund	2,699,895			-2.09%	-2.09%	-21.70%	-0.85%	N/A
Brinson 2000 Partnership Fund	3,618,296			-1.96%	-1.96%	-14.95%	N/A	N/A
Brinson 2001 Partnership Fund	798,432			-1.31%	-1.31%	-6.22%	N/A	N/A
Brinson 2002 Partnership Fund	155,921			0.12%	0.12%	N/A	N/A	N/A
Total Brinson Partnership Funds	9,644,477			-1.39%	-1.39%	N/A	N/A	N/A
Brinson 1999 Non-US Partnership Fund	1,012,268			-0.76%	-0.76%	-7.68%	-3.51%	N/A
Brinson 2000 Non-US Partnership Fund	899,372			-0.39%	-0.39%	-6.51%	N/A	N/A
Brinson 2001 Non-US Partnership Fund	480,081			-1.41%	-1.41%	-4.85%	N/A	N/A
Brinson 2002 Non-US Partnership Fund	190,832			0.00%	0.00%	N/A	N/A	N/A
Total Brinson Non-US Partnership Fund	2,582,553			-0.71%	-0.71%	N/A	N/A	N/A
Brinson BVCF IV	6,277,334			-3.19%	-3.19%	-29.16%	-17.06%	N/A
CSFB	8,388,463			0.00%	0.00%	N/A	N/A	N/A
InvestAmerica	77,432			0.00%	0.00%	N/A	N/A	N/A
Hearthstone	4,143,626			-2.22%	-2.22%	4.99%	N/A	N/A
<b>TOTAL ALTERNATIVE INVESTMENTS (1)</b>	<b>45,418,284</b>	<b>4.2%</b>	<b>5.0%</b>	<b>-1.61%</b>	<b>-1.61%</b>	<b>-26.09%</b>	<b>10.16%</b>	<b>10.85%</b>
<i>Post Venture Capital Index</i>				-12.55%	-12.55%	-44.30%	-26.03%	-6.83%
<b>CASH EQUIVALENTS</b>								
<b>Northern Trust STIF/STEP</b>	<b>(971,353)</b>	<b>-0.1%</b>	<b>2.0%</b>	<b>0.02%</b>	<b>0.02%</b>	<b>2.29%</b>	<b>4.72%</b>	<b>5.01%</b>
<i>90 Day T-Bill</i>				0.15%	0.15%	2.63%	4.67%	4.84%
<b>TOTAL FUND</b>	<b>1,079,908,076</b>	<b>100.00%</b>	<b>100.00%</b>	<b>-6.39%</b>	<b>-6.39%</b>	<b>-8.88%</b>	<b>-1.94%</b>	<b>3.61%</b>
<b>POLICY TARGET BENCHMARK</b>				<b>-6.99%</b>	<b>-6.99%</b>	<b>-9.26%</b>	<b>-3.00%</b>	<b>3.29%</b>

**NOTE: Monthly returns and market values are preliminary and subject to change.**

(1) Monthly returns estimated based on prior quarters' returns.